

BUILDING AND COMMUNICATING BRAND BY MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs) IN INDONESIA

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Abstract

The role of Micro, Small and Medium Enterprises (MSMEs) in the national economy is quite large. The number reached 99.9 percent and employment reached 97 percent. Currently, MSMEs contribute to GDP up to 60.34 percent. The business strategy in building a sustainable business that develops and differs from time to time requires MSMEs to always improve the quality of products or services through continuous improvement so as to encourage increased market share and win the competition. The ability of MSMEs to access and manage various resources is still considered difficult. This view shows the weak foundation of MSMEs in terms of capital and marketing which is an obstacle in facing competition. In the effort to build MSME Relativity Business, MSME's ability to face challenges, obstacles, weaknesses, and limitations become strengths and opportunities to compete. The dynamism of MSME competitive advantage conditions that change rapidly in meeting demand, the existence of competing products, the application of technology, and the consistency of policies that support MSMEs are factors that affect the survival of MSMEs to dynamically follow changes in MSME consumer buying interest. Failure to communicate brands by MSMEs because the power of digitalization has not maximized by SMEs. The factors causing the failure of MSMEs are due to the lack of knowledge, ability and awareness of MSMEs to keep up with the development of digitalization.

Keywords: *Building, Communicating Brand, Micro-Small and Medium Enterprises (MSMEs)*

1. Introduction

The role of micro, small and medium enterprises (MSMEs) in the national economy is quite large. The number reached 99.9 percent and employment reached 97 percent. Currently, MSMEs contribute to GDP up to 60.34 percent (merdeka.com, 2018). Deputy for Financing at the Ministry of Cooperatives and SMEs (Kemkop UKM) Yuana Sutyowati said the number of micro businesses was 58.91 million units, small businesses 59,260 units and large businesses 4,987 units (Kontan.co.id, 2018). However, with this large number, it turns out that the class is far below MSMEs in other countries (merdeka.com, 2018).

Currently, as many as 75 small and medium enterprises (SMEs) in the country will develop their trademarks this year. The development of the trademark is carried out to make it easier for local SME products to penetrate the export market. Products with brands that are well planned, attractively designed, and properly communicated, will more easily enter foreign markets and compete with products from other countries. Director of Export

Product Development and Creative Economy of the Ministry of Trade (Kemendag) Dody Edward explained that the use of brands by local SMEs is expected to increase buying interest and selling prices of their products. The existence of a trademark will make it easier for consumers to recognize the product, so they can search for and find the same product faster in the future. Increasing the competitiveness of Indonesian export products through brand development is a strategic step that has great benefits, both in the short and long term. Unfortunately, currently there are still many business actors, especially SMEs, who are not aware of the role of brands in increasing export competitiveness. Therefore, it is necessary to make efforts to increase awareness of brand development among SME business actors. Among SME business actors who are already aware of the role of brands, it turns out that there are still many who have not been able to do so (Investor Daily, 2018). It must be addressed that globalization forces MSMEs to be able to change their business models to be more innovative and creative (Lee, 2012).

A number of challenges still overshadow Indonesian MSMEs. If narrowed down, the challenges include the psychological aspects of the market, weak product brands, to basic things such as administration. Regarding market psychology, it must be admitted, as if there is still fear and worry among Indonesian MSME entrepreneurs. This is not surprising. Because, the domestic market is also flooded with Chinese products, the openness of China needs to be responded to by domestic entrepreneurs, more specifically by micro, small and medium enterprises (MSMEs) but this is not easy, it requires hard work from all parties (Repubilka. co.id., 2018). This means that Indonesia's readiness to compete in the global market is still lacking. Compared to the competition for products from ASEAN countries, Chinese products are the most serious threat to the existence of the MSME sector in Indonesia. Prior to the implementation of this ACFTA, many Chinese products had flooded the Indonesian domestic market with lower prices (Suyatna, 2010).

The problem of competition for local MSME products with imported MSME products is that Indonesian SMEs have relatively low competitiveness. Most Indonesians are at this stage of business. This low competitiveness has resulted in the intensity of Indonesia's SME exports. In the domestic market, products made by domestic SMEs are still unable to compete with imported SME products. Factors for domestic products that are unable to compete are as follows: low quality of goods due to the minimal use of technology, the level of production efficiency is not optimal, and Indonesia's macroeconomic sector policies have an unsatisfactory impact on SMEs in improving the quality of their products (Beselly and Mawardi, 2017).

The challenges of business competition, the empowerment of MSMEs in the midst of globalization and high competition make MSMEs must be able to face global challenges, such as increasing product and service innovation, developing human resources and technology, and expanding the marketing area. This needs to be done to increase the selling value of MSMEs, especially so that they can compete with foreign products that are increasingly flooding industrial and manufacturing centers in Indonesia, considering that MSMEs are an economic sector that is able to absorb the largest workforce in Indonesia (Sudaryanto, 2011). For this reason, brand personality has important implications for SMEs in developing countries to develop effective marketing strategies for their products and services in terms of segmentation, targeting, and positioning (Auemsuvarn, 2019).

The sustainability of the SME business creates benefits for the sustainability of the entire economic and social system. Therefore, all SME processes must consider the economic, environmental and social impacts. This means that companies must adapt their business models and decide to invest in actions that benefit the environment and society, while ensuring long-term business sustainability. This is one of the reasons why brands have become increasingly important in recent decades, as strong brands can create special relationships with customers, offering many different elements and arguments that increase loyalty and trust (Dumitriu 2019).

The problems of MSMEs organizations are enough to hinder the development of its to progress. Problems included in the management organization (non-financial) problems include: (1) lack of knowledge of production technology and quality control caused by the lack of opportunities to keep up with technological developments and lack of education and training, (2) lack of knowledge about marketing, which This is caused by the limited information that can be reached by SMEs regarding the market, in addition to the limited ability of SMEs to provide products/services that are in accordance with market demands, (3) limited human resources (HR) in terms of lack of resources to develop human resources, and lack of understanding of finance and accounting (Darwanto, 2011). Another problem, the creation of high brand awareness is often not the goal when dealing with a company's marketing budget. The target to be achieved by SMEs is only to generate turnover in the short term, the company's attention is directed to sales and survival (Krake, 2005).

Based on the problems above it raised question why building and communicating a brand is important for MSMEs in Indonesia? And how to build and communicate brand for micro, small and medium enterprises (MSMEs) in Indonesia.

The concept of Micro, small and medium enterprises is regulated in the Law of the Republic of Indonesia No. 20 of 2008, with the characteristics of a micro business if it has assets or a maximum net worth of Rp.50 million with sales of at most Rp. 300 million per year, a business is said to be a small business if it has assets or net worth between Rp. 50 million to Rp. 500 million with sales proceeds between Rp. 300 million to Rp. 2.5 billion per year per year, while a medium-sized business if a business has assets or net worth between Rp. 500 million to Rp. 10 billion with sales between Rp. 2.5 billion to Rp. 50 billion per year.

The characteristics inherent in MSMEs are the advantages and disadvantages of MSMEs themselves. The following are some of the advantages that MSMEs have are as follows: (1) Durability, (2) Labor intensive, (3) Special skills, (4) Types of products, (5) Linkage to the agricultural sector, (6) Capital. The weaknesses of MSMEs are reflected in the constraints faced by these businesses. Constraints that are generally experienced by MSMEs are: (1) Limited capital, (2) Difficulties in marketing and supply of raw materials, (3) Lack of knowledge about the business world, (4) Limited mastery of technology, (5) Quality of human resources (education). formal) is low, (6) financial management is not good, (7) there is no clear division of tasks, (8) and often rely on family members as unpaid workers (Tambunan, 2009).

Efforts to grow small businesses, it is necessary to know the characteristics as well as problems and obstacles faced by small businesses, in general, small businesses have the following characteristics: (1) In the form of an individual business and not yet a legal entity.

(2) The aspect of business legality is weak. (3) The organizational structure is simple with a non-standard division of labor. (4) Most do not have financial statements and do not separate personal assets from company assets. (5) The quality of management is low and rarely has a business plan. (6) The main source of capital is personal capital. (7) Limited human resources (HR). (8) The owner has a strong inner bond with the company, so all the company's obligations are also the owner's obligation (Danoko, 2008: 2).

Several priorities that can be carried out by MSMEs include (1) expanding the marketing network. (2) Maintaining quality and improving sales services (3) increasing cooperation with relevant agencies and cooperatives or also with other MSMEs in order to gain access to raw materials. (4) Utilizing technology to innovate products. (5) Utilize associations to maintain good relations and conduct hearings with relevant agencies. (6) Increase local promotional activities. (7) Establish a market price strategy to face competition. (8) Establish a special marketing unit. (9) Optimizing the use of technology and information to increase market access (Setiyorini, 2018)

Brand is a name or symbol that identifies a product and distinguishes it from other products so that it is easily recognized by consumers when they want to buy a product (Sangadji and Sopiah, 2013: 323). Furthermore, a brand is a name, term, sign, symbol, or design, or a combination thereof to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors (Kotler and Keller, 2017: 258). There are six brand selection criteria, including: (1) Memorable, (2) Meaningful, (3) Likeable, (4) Transferable, (5) Customizable, (6) Protectable (Kotler and Keller, 2017: 269)). Meanwhile, there are six levels of brand understanding including: (1) Attributes, (2) Benefits, (3) Values, (4) Culture, (5) Personality, (6) Users (Surachman, 2008)

The way to build a strong brand is by: (1) Having the right positioning. (2) Having the right brand value. (3) Having the right concept (Rangkuti, 2008: 5). The main key in building a brand is the ability to choose a name, logo, symbol, packaging, and other characteristics that can identify a product and differentiate the product from others (Astuti, 2011). This shows that the supporting factors for MSMEs in building a brand consist of awareness factors, Bekasi city environmental factors, marketplace factors, premium features, and community (Rahman and Mawardi, 2017). For this reason, companies must be able to build communication through marketing communication strategies in order to create effective communication in order to promote products to consumers (Sariwaty *et al.*, 2019).

2. Method

The research methodology in the preparation of this journal uses descriptive research. Descriptive research is research that is intended to investigate circumstances, conditions or other things that have been mentioned, the results of which are presented in the form of a research report. Researchers do not change, add, or manipulate the object or research area. Researchers only take pictures of what happens to the object or area under study, then explain what happened in the form of a research report in a straightforward manner, as it is (Arikunto, 2010: 3). The data used in this research is secondary data. Secondary data collection in this research is through literature studies, online news, and journals. The search focused on types of documents involving themes with titles, abstracts, and keywords related to Micro, Small and Medium Enterprises (MSMEs).

3. Result and Discussion

Building the MSMEs Business is a potential business for economic development in Indonesia so that in its implementation it is necessary to optimize and explore the existing potentials for increasing community economic development. This development will of course be more well developed with support from the government in providing the necessary facilities to support the implementation and progress of the business being carried out in order to produce good quality production so that it can compete with the international market (Anggraeni, *et al.*, 2013).

The existence of Micro, Small and Medium Enterprises have 3 categories (Permana 2017), if you look at the characteristics of a business, it is called a micro business if it has assets or a maximum net worth of Rp. 50 million with sales of at most Rp. 300 million per year, a business is said to be a small business if it has assets or net worth between Rp. 50 million to Rp. 500 million with sales proceeds between Rp. 300 million to Rp. 2.5 billion per year per year, while a medium-sized business if a business has assets or net worth between Rp. 500 million to Rp. 10 billion with sales between Rp. 2.5 billion to Rp. 50 billion per year. From the data above, it can be seen that with a total of 64.2 million or 99.9% the percentage of Indonesian businesses is dominated by the MSME sector, (www.kemenkopukm.go.id, 2021) is able to absorb 117 million workers or 97% of the labor absorption capacity of the business world with the contribution of MSMEs to the national economy (GDP) was 61.1%, and the remaining 38.9% was contributed by large business actors, which amounted to only 5,550 or 0.01% of the total number of business actors. The MSMEs are dominated by micro business actors, amounting to 98.68% with a workforce absorption capacity of around 89%. Meanwhile, the contribution of micro enterprises to GDP is only around 37.8%. (www.djkn.kemenkeu.go.id)

The government also realizes that apart from having the largest number and percentage of entrepreneurs in Indonesia, the resilience of MSMEs to the crises that often afflicts this country has been tested, starting from the economic crisis that occurred in 1997, then in 2008 to the crisis due to the pandemic that occurred. in 2020 we can see the resilience of this sector in maintaining its existence, from these difficult times we can learn that: (1). To build our economy, we do not rely on our own strength, but on foreign debt, (2). The pattern of economic development that relies on large companies is not strong enough to produce a socio-economic structure, (3). MSMEs that received less attention were actually able to survive the storm of the economic crisis and were able to move the wheels of the economy with their own strength.

Learning from above, MSMEs can be recognized as a very important business sector because of their resilience, role and function in the economy. Government support has begun to appear, although it must be admitted that the government cannot stand alone in providing support, it takes contributions from all parties to strengthen the development itself. The development and expansion of MSMEs needs to be improved because their role in providing employment will directly reduce unemployment and thereby alleviate poverty (Sarfiah, 2019).

The high competitiveness of a small and medium scale company can be maintained through the fulfillment of four types: (1) the ability of the company to increase market share, profit and growth of added value in a sustainable manner (sustainability), (2) the

company's ability to access and manage various resources and capabilities (controllability), (3) the company's strategic ability to assess its level of competitiveness compared to other companies (relativity), and (4) the company's ability to create competitive advantage (dynamism) (Lantu *et al.*, 2016).

Efforts to build high competitiveness of MSMEs, so that business competitive advantages can meet sustainability, controllability, relativity, and dynamism which are factors in building MSMEs are described below.

Building Sustainability MSMEs Business is a business fundamental to be able to survive in intense competition. The potential of resource support plays an important role in the existence of MSMEs to build *positioning* to face competition, but also independence and the principles that animate their business to be able to face challenges and obstacles towards an increasingly competitive global competition. The readiness of entrepreneurs to deal with MSME business continuity is a form of consistency for MSME actors to meet customer needs through good product quality.

MSME actors who have competitiveness in potential aspects get the opportunity to compete more competitively through the development of a wider market share. The wider market share is not only limited to regional and national levels but is able to be competitive in the international market share. This requires MSMEs to have a business strategy in building a *sustainable business* that develops and differs from time to time. This requires MSMEs to always improve the quality of products or services through continuous improvement so as to encourage increased market share and win the competition.)

The rapid development of technology 4.0 is unfortunately not able to be addressed by all MSME actors, only those who understand this change can immediately make adaptations, especially those related to promotions which will have an impact on sales (Santoso, 2020) if the two things above are able to be manipulated by MSMEs in maintaining and developing their business so that they are sustainable and poured into efforts strategic effort.

Strategic efforts in building the MSME Sustainability Business by carrying out an action plan as follows:

1. Building *positioning* to face more competitive competitors by developing a wider market share.
2. Build product or service quality through continuous improvement so as to encourage increased market share and win the competition.

Building Controllability MSMEs Business, the ability of MSMEs to access and manage various resources and capabilities to support production and marketing operations at this time, can be seen from the availability of business financing to support business capital is still considered difficult, because low capital support is an issue for MSMEs to develop. This view shows the weak foundation of MSMEs in terms of capital and marketing which is an obstacle in facing competition due to two main factors, namely ease of access to financing and ease of access to markets and marketing which need to be supported by the government and advanced entrepreneurs to partner with MSMEs as partners.

Government support for MSME financing is one of the largest sources of capital that can be utilized by small business actors in addition to business capital assistance from the government from the Ministry of Cooperatives and Small and Medium Enterprises, and the Ministry of Industry and State-Owned Enterprises (BUMN) which provide guidance to MSMEs by establishing a BUMN Creative House. The BUMN Creative House will assist and encourage SME actors in responding to the main challenges of SME business development in terms of increasing competence, increasing marketing access and facilitating access to capital. (bumn.go.id, 2017). The Ministry of State-Owned Enterprises (BUMN) targets to foster 800,000 micro, small and medium-sized enterprises who are members of the SOE Creative House (RKB) until the end of 2018. The MSME actors will be fostered by various state-owned companies in Indonesia. Currently, there are around 450,000 MSME actors who are members of the RKB. (minded-rakyat.com., 2018). In fact, the number of micro businesses is 58.91 million units, small businesses are 59,260 units and large businesses are 4,987 units. This situation shows the government's role in revitalizing MSMEs through policy approaches that are in favor of small businesses and fostering business development technology and the ease of utilizing information technology.

The banking sector is also still less than optimal in helping to increase the strength of MSMEs, around 62.9 million MSMEs business actors. However, with this large number, it turns out that the class is far below MSMEs in other countries. of that amount, there are only about 20 percent that are bankable. Because of this, access to capital is part of the government's struggle. There are still 80 percent of the arena that are not yet *bankable* (www.merdeka.com, 2018)

Strategic efforts in building MSMEs Controllability Business by carrying out an action plan as follows:

1. Develop financial resource management arrangements through administrative and financial arrangements as a step to prepare for orderly financial administration.
2. Building the ease of access to capital from the government to MSMEs by synergizing efforts of financial institutions and the government which is integrated by fostering consensus values between MSMEs and accountable financing institutions.

Building Relativity MSMEs Business is the ability of MSMEs to face challenges, obstacles, weaknesses, and limitations that become strengths and opportunities to compete. On the other hand, MSMEs are faced with the availability of raw materials, production costs and potential new competitors who have cheaper and higher quality products than competing countries, especially Chinese MSMEs whose products are widely circulated in Indonesia. In addition, the intense buying of Indonesian people who generally prefer low prices compared to quality adds to the competition for local products with foreign products (China).

There are main factors that can be the basis for establishing the competitiveness of SMEs. From previous studies, it can be seen that there are six main variables that shape the competitiveness of SMEs in one province, namely the availability and conditions of the business environment, business capabilities, policies and infrastructure, research and technology, financial support and partnerships, and performance variables (Lantu, 2016).

At present, the competitiveness of Indonesian MSMEs with foreign competitors, especially China, is very concerning. Almost all product lines circulating in Indonesia come from China. If this continues, it will add to the decline of Indonesian MSMEs which are engaged in MSMEs that produce raw goods. Situationally when the Indonesian economy slumped, the existence of MSMEs remained strong in the face of economic turmoil. However, the current condition with the existence of Chinese products, MSMEs engaged in product production have begun to erode and even cause bankruptcy. Like MSMEs, which make bags and jackets, they are starting to be competed with similar Chinese products at lower prices. This problem shows the company's strategic ability to assess the level of competitiveness compared to other companies (relativity) cannot be separated from the government's role in limiting the competitiveness of imported products that can displace MSME products.

Strategic efforts to build MSME Relativity Business by carrying out an action plan as follows:

1. Carry out continuous product innovation by following the needs and trends of the community.
2. Strengthening local products by applying the Indonesian National Standard (SNI) for industrial products in order to have export competitiveness.
3. Carry out marketing that is bridged by the government for MSME products to go international.

Building Dynamism MSME Business, basically the formation of MSMEs is a labor-intensive (labor-intensive) sector whose business activities use more human labor to carry out production processes that require creative skilled workers to make the products needed by the community into products of interest, obtained by easy, and at a competitive price. However, creating a competitive advantage is not only viewed narrowly as the reliability of the workforce in carrying out the production process, product development, market development, maintaining product quality and production quantity as a competitive advantage factor.

In this situation, MSMEs are required to increase product innovation through the use of appropriate technology. The dynamism of the condition of MSME competitive advantage that changes rapidly in meeting demand, the existence of competing products, the application of technology, and the consistency of policies that support MSMEs are factors that affect the survival of MSMEs to follow dynamically changes in MSME consumer buying interest. This requires the strategic ability of MSMEs to have a competitive advantage, because competitive advantage is an effort to win the competition. A company's competitive strategy can be interpreted, relative to its competitors, as a set of customer needs in order to seek customer satisfaction through the company's products or services (Chopra and Meindi, 2010). Competitive advantage is the ability of a company to achieve economic benefits above the profits that can be achieved by competitors in the market in the same industry. Companies that have competitive advantages always have the ability to understand changes in market structure and are able to choose effective marketing strategies. Furthermore, it is explained that competitive advantage develops from the value that companies are able to create for customers or buyers (Porter, 2008). Financial factors

or financial aspects are the main problems in MSMEs running their business so that they have an impact on the ability to build their own brands, build good financial literacy as well as contribute to business dynamics which lead to the sustainability of MSME businesses or businesses (Widayanti, Damayanti, 2017)

The strategy in building the *Business* is by carrying out an action plan as follows:

1. Building a competitive advantage by increasing the reliability of the workforce in carrying out the production process, product value innovation, market studies, product quality assurance and production continuity.
2. Building the application of technology and policy adaptation as a factor for supporting MSMEs to dynamically follow changes in purchasing interest.

Communicating MSMEs Brand is a marketing strategy activity in introducing the products owned by MSMEs to be accepted by customers as product identities. The activity of communicating the MSME brand is also one of the important things that determine product performance. Adopting the thoughts of Kotler (2017), the importance of brands to ensure the quality of products produced by MSMEs so that consumers feel satisfied with the use of these products has implications for repeat purchases and the formation of loyalty.

On the other hand, the role of brands in MSMEs can be a medium of communication between producers and consumers to introduce products and the superior attributes of these products. To that end, managing a strong brand requires understanding to create an offering and communicate its value to target customers. In practical terms of delivering this value, a coordinated and strategic approach is needed that will ultimately produce the best communication results with limited resource allocation (Ramanathan *et al.*, 2017), because generally SMEs have few resources and less time for activities such as brand building companies (Juntunen *et al.*, 2010). However, according to the lack of financial resources is not necessarily a barrier to the growth of the brand, but prefers to be a driver of creativity.

Some brand owners/managers suggest that the lack of financial and human resources helps them to be more creative by stimulating them to seek innovative ways of implementing brand activities (Centeno *et al.*, 2013).

So far, there are still thoughts not to build MSME brands as early as possible this is due to factors including: (1) identical brands with high costs. (2) brand building is complicated. (3) MSMEs do not need to build a brand. (4) Brand management is not a priority for MSMEs in carrying out their daily activities. (5) the responsibility for brand management is still in the top management of the organization (Sudarwati, 2014)

Carrying out a brand development strategy, MSMEs can follow developments and changes with processes that can be carried out. In. to build a brand, it must be done from the start of operation, the second aspect is the MSME brand approach, the third is the *Brand hierarchy*, the fourth is the *brand extension*, the fifth multi brand, this process can be done in stages as the first step in starting brand communication, where the initial phase is from growth in order to survive in the intense competition so that the brand can begin to be recognized by the public and begin to attract interest to try. Data from the Directorate General of Intellectual Property at the Ministry of Law and Human Rights in 2020, the number of intellectual property protections, especially brands, is 411,458m if we look at the number of MSMEs in 2019, which reached 65,465,497, it is believed that it will

continue to grow over time, with the policy breakthroughs given by the government on the management of brands and permits also accelerated the figures above.

Currently, the situation of business competition, technological developments, and changes in consumer behavior in intense purchases, shape the mindset of MSME actors to implement effective and efficient marketing communications. The strategy of communicating the brand is one of the efforts of MSMEs in implementing marketing strategies. For this reason, the brand positioning of MSME products can be seen from the product design that has been prepared since the product was created and communicated to consumers through the marketing mix so that a product image is needed and can be relied on by consumers. The failure to communicate the brand by MSMEs is because the power of digitization has not been maximized by MSME actors. The factors causing the failure of MSMEs are due to the lack of knowledge, ability and awareness of MSMEs to keep up with the development of digitalization. Departing from a strong will but not supported by knowledge of communicating brands that still follow the non-technological direct selling method, resulting in a small market share. This weakness has an impact on the MSME Sustainability Business which fails to compete with MSME actors who have implemented online business to increase their competitive advantage. Theoretically marketers tend to gain consumer trust only when consumers perceive the brand to have a good image through brand communication. Thus, brand communication that does not build a good brand image will not gain consumer trust (Chinomona, 2016). For this reason, the concept of brand orientation shows that companies must integrate brands with business strategies (Wong and Merrilees, 2008) and communication plays an important role in building brand image (Narayanan and Manchanda, 2010).

There are still many MSMEs that are slow in adopting and adapting to change, technology 4.0 can be a tool to use, digitization can be a way to build and promote brands. Linking the level of brand equity to emerging ideas and information can be key in building the competitiveness and sustainability of MSMEs, given that this sector is a core player of any economic system in any country, the ability to identify existing opportunities can lead to growth and sustainability (Dumitriu, 2019)

In the era of digitalization and online-based business, communicating the MSME brand can be carried out quickly, easily, and the message can be directly received by consumers. This shows that marketing activities to communicate the brand can be more effective and efficient. Communicating the MSME brand, Director of the Ministry of Cooperative Marketing and MSME Services Institute, Emilia Suhemi, said that currently only 3.97 million of the 60 million MSMEs are selling their wares online. (Tribunnews.com, 2018). This shows that the government encourages Micro, Small and Medium Enterprises (MSMEs) to communicate MSME products to online businesses. In addition, online communication is considered more efficient than traditional media because it can help to maintain and increase market share and can be considered as a determinant of the success of more effective communication (Besseh et al., 2017). Moreover, in terms of brand personality, the findings show that the brand personality of SMEs can be communicated through adequate marketing communication programs via the Internet (Opoku et al., 2007).

Strategic efforts in communicating the MSME brand by carrying out an action plan as follows:

1. Making digital media a power factor in communicating the brand.
2. Improving MSME development from the government to support the implementation of digitalization in MSME businesses as an effort to increase competitive advantage.

4. Conclusion

Referring to the discussion above, building and communicating the MSME brand requires a long effort, consistency and support from many parties, the government assisted by various sectors can start it together, but it must be understood that MSMEs as actors and central figures must be able to do this. the following matters:

1. The conclusions of building and communicating the brand by MSMEs are as follows: Efforts to build high competitiveness of MSMEs as the driving force of the Indonesian economy are not supported by business competitive advantages that meet sustainability, controllability, relativity, and dynamism. Globalization makes MSMEs ready or not ready, like it or not, they must be able to adopt and adapt the four things above in order to continue to improve competitiveness against global competition that occurs.
2. The lack of awareness of MSME actors on the importance of building brand strength can be the cause of weak competitiveness and ability to compete. The failure of MSMEs to communicate the brand is due to the MSME product brand positioning on the knowledge, ability and awareness of MSMEs to follow the development of digitalization which is still lacking and digital literacy to build strength has not been maximized by MSME actors.

These two things can be the first step for MSMEs in Indonesia in an effort to build and communicate their brand

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